(c) The number of projects set up and the employment generated under seven broad categories during last three years, are as under:—

Groups	2003-04		2004-05		2005-06	
	Projects	Employ-ment	Projects	Employ-ment	Projects	Employ-ment
Mineral Based Industry	451	15213	278	8844	564	12622
Forest Based Industry	286	4075	55	1281	407	10803
Agro and Food Processing Industry	487	8329	512	11907	320	11537
Polymer and Chemical Based Industry	153	1193	151	3420	114	2865
Rural Engineering and Bio Technology Industry	560	9899	307	7194	304	8865
Handmade Paper & Fibre Industry	75	1401	72	1720	23	802
Service activities	484	11227	162	3921	401	12102
TOTAL:	2496	51337	1537	38287	2133	59596

Outstanding subsidy amount

†447. SHRI MOTILAL VORA:
SHRI SATYAVRAT CHATURVEDI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the outstanding amount of subsidy of fertilizer companies and since when it is outstanding alongwith the reasons therefor;

(b) the quantity of Urea and DAP that was required in the year 2006 and the production made in that year;

† Original notice of the question was received in Hindi.

(c) the quantity of Urea and DAP would be required in the year 2007;

(d) the steps being taken by Government to make sure required production; and

(e) the effects of less production of fertilizers on agriculture production?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The outstanding amount of subsidy of fertilizer companies as on date is Rs.6289.72 Crores. The 'on account' payment of concession for decontrolled fertilizers (Indigenous/ imported) is outstanding from August 2006 and for indigenous urea, the payment is outstanding with effect from November 2006.

(b) and (c) The production of urea and DAP during 2006-2007 is as follows.

Quantity in Lakh MTs.

Fertilizers	Kharif 2006	Rabi 2006-2007	Total
Urea	97.61	102.77 (Estimated)	200.38
DAP	24.70	24.81 (Estimated)	49.51

The requirement of Urea and DAP during 2006-2007 is as follows:

Quantity in *Lakh MTs.*

Fertilizers	Kharif 2006	Rabi 2006-2007	Total
Urea	122.37	127.08 (Estimated)	249.45
DAP	33.10	48.19 (Estimated)	81.29

(d) and (e) At present, urea is the only fertilizer under statutory price and partial movement control. The Government has approved the New Pricing Scheme State - III on 1.2.2007 to be implemented with effect from 1.10.2006, which seeks to promote usage of most efficient and comparatively cheaper feed stock natural gas/LNG for production of urea in the country. The policy also envisages encouraging the existing urea units to produce beyond 100% of their installed capacity by introducing a system of incentives for additional urea production subject to merit order procurement. The policy encourages setting up of the

Joint Venture Projects abroad where gas is available at reasonable prices.

DAP is a phosphatic decontrolled fertilizer and is covered under the Concession Scheme. The production of the phosphatic fertilizers in the country is almost dependent on the imported raw material/intermediates. The Government is quarterly updating the normative delivered price of DAP based on the prevailing prices of raw material/intermediates in the international market to encourage the indigenous production of DAP. The Government is closeiy monitoring the availability of all major fertilizers including urea and DAP. The urea is being imported on Government account to bridge the gap between the assessed demand and estimated production. Imports of all other fertilizers including DAP is allowed freely, however, the Government maintains the buffer stock of DAP to meet the sudden spurt in demand.

Reduction of excise duty on medicines

448. SHRI TARIQ ANWAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is fact that Parliamentary panel attached to his Ministry has asked Government to bring down the excise duty on medicines to 8 per cent from the present 16 per cent;

(b) if so, the details thereof; and

(c) what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) No, Sir.

(b) and (c) Do not arise in view of reply to (a) above.

Budget allocation and actual spending on subsidy

†449. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

† Original notice of the question was received in Hindi.